

SENATE BILL 3454  
By Crutchfield

AN ACT to amend Tennessee Code  
Annotated, Title 3; Title 4; Title 5;  
Title 6; Title 7; Title 8; Title 9;  
Title 12; Title 16; Title 30; Title  
36; Title 39; Title 40; Title 45;  
Title 47; Title 48; Title 49; Title  
54; Title 55; Title 56; Title 57;  
Title 61; Title 62; Title 67; Title  
68; Title 69; Title 70 and Title 71,  
relative to taxation.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

**SECTION 1.** Tennessee Code Annotated, Section 67-1-703, is amended by adding the following as a new subsection:

( ) (1) The commissioner is authorized but not required to accept credit cards, debit cards, or other similar financial transaction cards in payment of all taxes or other amounts collected by the department. The commissioner may adopt reasonable policies and rules governing the manner of acceptance of such cards.

(2) The commissioner may enter into appropriate agreements with card issuers or other appropriate parties as needed to facilitate the acceptance of payments authorized by this subsection. The commissioner may impose a surcharge or convenience fee upon persons making payment by credit card, debit card, or other similar financial transaction cards to wholly or partially offset, in the aggregate, any discount or administrative fees charged to the department on such payments.

(3) The commissioner also may enter into appropriate agreements with third-party service providers for the acceptance and processing of credit card, debit card, or other similar financial transaction card payments on the commissioner's behalf. Such

agreements may authorize the third-party service provider to impose a surcharge or convenience fee upon persons making such payments.

(4) When a person elects to make a payment to the department by credit card, debit card, or other similar financial transaction card and a surcharge or convenience fee is imposed as authorized by this subsection, the payment of the surcharge or convenience fee shall be deemed voluntary and shall not be refundable. No person making any payment to the department by credit card, debit card, or other similar financial transaction card shall be relieved from liability for the underlying obligation except as to the extent that the department realizes final payment of the underlying obligation in cash or the equivalent. If final payment is not made by the card issuer or other guarantor of payment, then the underlying obligation shall survive and the department shall retain all remedies for enforcement which would have applied if the transaction had not occurred.

**SECTION 2.** This act shall take effect upon becoming a law, the public welfare requiring it